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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

**ANNUAL AUDITED REPORT
FORM X-17A-5
PART III**

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FACING PAGE

**Information Required of Brokers and Dealers Pursuant to Section 17 of the
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder**

REPORT FOR THE PERIOD BEGINNING January 1, 2011 AND ENDING December 31, 2011
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Berman Capital, LLC.
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

OFFICIAL USE ONLY

45706
FIRM I.D. NO.

2350 Taylor Street

(No. and Street)

San Francisco

(City)

California

(State)

94133

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

Marc L. Berman

415-345-1480

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Wilson Markle Stuckey Hardesty & Bott

(Name - if individual, state last, first, middle name)

101 Larkspur Landing Circle, Suite. 200

(Address)

Larkspur

(City)

California

(State)

94939

(Zip Code)

CHECK ONE:

- ☒ Certified Public Accountant
☐ Public Accountant
☐ Accountant not resident in United States or any of its possessions.

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*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

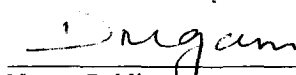
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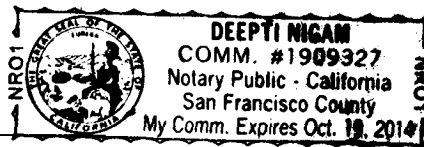
OATH OR AFFIRMATION

I, Marc L. Berman, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Berman Capital, LLC, as of December 31, 2011 are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:


Signature

Managing Member
Title


Notary Public



This report ** contains (check all applicable boxes):

- ☒ (a) Facing Page.
- ☐
- ☒ (b) Statement of Financial Condition.
- ☒ (c) Statement of Income (Loss).
- ☒ (d) Statement of Changes in Financial Condition.
- ☒ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- ☒ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☒ (g) Computation of Net Capital.
- ☒ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☒ (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- ☒ (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- ☒ (l) An Oath or Affirmation.
- ☐ (m) A copy of the SIPC Supplemental Report.
- ☒ (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

****For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).**

Berman Capital, LLC

Financial Statements

and Supplemental Information

Years ended December 31, 2011 and 2010

with

Reports of Independent Auditors

Contents

| | <u>Page</u> |
|---|-------------|
| Financial Statements | |
| Report of Independent Auditors | 1 |
| Statements of Financial Condition | 2 |
| Statements of Operations | 3 |
| Statement of Members' Equity | 4 |
| Statements of Cash Flows | 5 |
| Notes to Financial Statements | 6 |
| Supplemental Information | |
| Statement of Changes in Liabilities Subordinated to Claims of General Creditors | 10 |
| Computation of Net Capital under Rule 15c3-1 of the Securities and Exchange Commission | 11 |
| Reconciliation Pursuant to Rule 17a-5(d)(4) | 12 |
| Computation for Determination of Reserve Requirements | 13 |
| Information Relating to Possession or Control Requirements | 13 |
| Report of Independent Auditors on Internal Accounting Control | 14 |

**WILSON
MARKLE
STUCKEY
HARDESTY
& BOTT LLP**

CERTIFIED PUBLIC
ACCOUNTANTS

DONALD WILSON
ALAN MARKLE
CHARLES STUCKEY
DAVID HARDESTY
DAVID BOTT
DAVID BAILEY
MICHAEL SMITH

Report of Independent Auditors

**The Members
Berman Capital, LLC**

We have audited the accompanying statements of financial condition of Berman Capital, LLC, as of December 31, 2011 and 2010, and the related statements of operations, members' equity and cash flows for the years then ended. These financial statements are the responsibility of the management of Berman Capital, LLC. Our responsibility is to express an opinion on these financial statements, based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Berman Capital, LLC as of December 31, 2011 and 2010, and the results of its operations and the changes in its members' equity and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States.

Our audit was primarily for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplemental information is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplemental information is required by Rule 17a-5 of the Securities and Exchange Commission. Such information has been subjected to the same auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements, taken as a whole.

Wilson Markle Stuckey Hardesty & Bott
Wilson Markle Stuckey Hardesty & Bott
January 10, 2012

Berman Capital, LLC
Statements of Financial Condition
December 31, 2011 and 2010

| | Assets | |
|--|-------------------------|-------------------------|
| | <u>2011</u> | <u>2010</u> |
| Current assets | | |
| Cash and cash equivalents | \$ 22,010 | \$ 64,423 |
| Accounts receivable | <u>-</u> | <u>-</u> |
| Total current assets | <u>22,010</u> | <u>64,423</u> |
| Total assets | <u><u>\$ 22,010</u></u> | <u><u>\$ 64,423</u></u> |
| Liabilities and Members' Equity | | |
| Current liabilities | | |
| Accounts payable and accrued liabilities | \$ 1,500 | \$ 25,000 |
| Members' equity | | |
| Capital contributions | 101,531 | 101,531 |
| Retained earnings | <u>(81,021)</u> | <u>(62,108)</u> |
| Total members' equity | <u>20,510</u> | <u>39,423</u> |
| Total liabilities and members' equity | <u><u>\$ 22,010</u></u> | <u><u>\$ 64,423</u></u> |

See accompanying notes

Berman Capital, LLC
Statements of Operations
Years ended December 31, 2011 and 2010

| | <u>2011</u> | <u>2010</u> |
|-----------------------------|-------------------|-------------------|
| Revenues | | |
| Commissions and fees | \$ 74,000 | \$ 295,884 |
| Interest income | <u>-</u> | <u>-</u> |
| Total revenues | 74,000 | 295,884 |
| Expenses | | |
| Advertising | 140 | 1,192 |
| Auto and local travel | 4,846 | 7,431 |
| Insurance | 656 | 384 |
| Computer and database | 3,636 | 3,800 |
| Dues and subscriptions | 4,139 | 7,389 |
| Entertainment and promotion | 4,607 | 6,469 |
| Office supplies | 3,129 | 931 |
| Postage and delivery | 800 | 968 |
| Printing and reproduction | 352 | 791 |
| Professional fees | 20,377 | 97,885 |
| Regulatory fees | 2,075 | 965 |
| Rent | 17,496 | 17,496 |
| Retirement plan | - | 25,000 |
| Taxes and licenses | 2,930 | 1,130 |
| Travel | 4,145 | 5,223 |
| Telephone | 9,122 | 8,021 |
| Other expenses | <u>63</u> | <u>282</u> |
| Total expenses | <u>78,513</u> | <u>185,357</u> |
| Net income (loss) | \$ <u>(4,513)</u> | \$ <u>110,527</u> |

See accompanying notes.

Berman Capital, LLC
Statements of Members' Equity
Years ended December 31, 2011 and 2010

| | <u>Capital contributions</u> | <u>Retained earnings</u> | <u>Total members' equity</u> |
|--------------------------------|----------------------------------|------------------------------|--------------------------------------|
| Balances, December 31, 2009 | \$ 101,531 | \$ (68,271) | \$ 33,260 |
| Capital contributions | - | - | - |
| Distributions to members | - | (104,364) | (104,364) |
| Net income | - | 110,527 | 110,527 |
| | <hr/> | <hr/> | <hr/> |
| Balances, December 31, 2010 | 101,531 | (62,108) | 39,423 |
| Capital contributions | - | - | - |
| Distributions to members | - | (14,400) | (14,400) |
| Net loss | - | (4,513) | (4,513) |
| | <hr/> | <hr/> | <hr/> |
| Balances, December 31, 2011 | <u>\$ 101,531</u> | <u>\$ (81,021)</u> | <u>\$ 20,510</u> |

See accompanying notes.

Berman Capital, LLC
Statements of Cash Flows
Years ended December 31, 2011 and 2010

| | <u>2011</u> | <u>2010</u> |
|---|------------------|------------------|
| Cash flows from operating activities | | |
| Net income (loss) | \$ (4,513) | \$ 110,527 |
| Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities | | |
| Increase (decrease) in accounts payable | <u>(23,500)</u> | <u>25,000</u> |
| Net cash provided (used) by operating activities | (28,013) | 135,527 |
| Cash flows from financing activities | | |
| Capital contributions | - | - |
| Distributions to members | <u>(14,400)</u> | <u>(104,364)</u> |
| Net cash used by financing activities | <u>(14,400)</u> | <u>(104,364)</u> |
| Net increase (decrease) in cash and cash equivalents | (42,413) | 31,163 |
| Cash and cash equivalents, beginning of year | <u>64,423</u> | <u>33,260</u> |
| Cash and cash equivalents, end of year | <u>\$ 22,010</u> | <u>\$ 64,423</u> |
| Supplemental disclosure | | |
| Cash paid during the year for income taxes | <u>\$ 2,500</u> | <u>\$ 800</u> |

See accompanying notes.

Berman Capital, LLC
Notes to Financial Statements
December 31, 2011

Note 1 - Summary of significant accounting policies

Basis of presentation

Berman Capital, LLC (the Company) is a California LLC formed in July 1998. In February 1999, the Company registered as broker-dealer with the Securities Exchange Commission. The Company is a member of the Financial Industry Regulatory Authority.

The Company's activities consist principally of its role as an intermediary and advisor in merger and acquisition transactions. Accordingly, the Company claims exemption from Securities Exchange Commission Rule 15c3-3 because it does not carry customer funds or handle customer securities.

Basis of accounting

The Company maintains its books on the accrual basis of accounting.

Cash and cash equivalents

For purposes of the statement of cash flows, cash and cash equivalents consist of amounts on deposit with a commercial bank and financial institution, in non-interest bearing accounts, available on demand.

Allowance for uncollectible accounts receivable

The Company uses the allowance method to account for uncollectible accounts receivable. Under this method, the Company reviews all receivables for any problems with collection. If the Company feels that there may be a problem with collections, an allowance is provided for the receivable. When attempts to collect a specific receivable are unsuccessful, the account is considered uncollectible and is written off against the allowance. At December 31, 2011 and 2010, the Company had no accounts receivable and, accordingly, determined that an allowance for doubtful accounts was not necessary.

Income taxes

The Company has elected to be taxed as a limited liability company in a manner similar to the taxation of a partnership. The Company is not subject to federal or state taxes on income. Instead, the members include their respective shares of the Company's taxable income or loss in their individual income tax returns.

Berman Capital, LLC
Notes to Financial Statements
(continued)
December 31, 2011

Note 1 - Summary of significant accounting policies (continued)

Income taxes (continued)

The Company follows accounting principles generally accepted in the United States related to the accounting for uncertainty in income taxes. Adoption of the provisions did not have a material impact on the Company's liability for unrecognized tax benefits. Management believes that the Company has adequately addressed all tax positions and that there are no unrecorded tax liabilities. Tax years 2008 to 2011 are open for examination by the Internal Revenue Service and years 2007 to 2011 by the California Franchise Tax Board.

Use of estimates

The Company prepares its financial statements in accordance with accounting principles generally accepted in the United States. The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect amounts and disclosures reported in these financial statements. Actual results could differ from those estimated.

Advertising costs

Costs incurred for producing and communicating advertising are expensed when incurred.

Estimated fair value of financial instruments

Management estimates that the aggregate net fair value of financial instruments recognized on the statements of financial condition (including receivables, payables and accrued expenses) approximates their carrying value, as such financial instruments are short-term in nature, bear interest at current market rates or are subject to repricing.

Note 2 - Transactions with members

The Company receives certain administrative services provided by its members. For the years ended December 31, 2011 and 2010, the Company reimbursed its members for all significant shared costs.

Berman Capital, LLC
Notes to Financial Statements
(continued)
December 31, 2011

Note 2 - Transactions with members (continued)

The Company's members also incur, and pay currently for, certain expenses related to transactions in process. If the transactions close and generate revenue to the Company, the expenses may be reimbursed to the members. If the transactions do not close, the expenses remain those of the members. Accordingly, such costs are recorded as paid. As of December 31, 2011 and 2010, the Company had reimbursed all significant member incurred costs.

Note 3 - Commitments

The Company leases office space on a month-to-month basis. Rent expense for the year ended December 31, 2011 was \$17,496 (2010 - \$17,496).

Note 4 - Net capital requirement

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of a minimum net capital, as defined, and a ratio of aggregate indebtedness to net capital not exceeding 15 to 1. At December 31, 2011 the Company had net capital of \$20,510 which exceeded its required net capital by \$15,510 and the ratio of aggregate indebtedness to net capital was .073 to 1.

Note 5 - Retirement plan

The Company has a defined contribution retirement plan for the benefit of its members. Contributions to the plan are determined annually by the Company's managing member subject to certain maximum amounts allowable under the Internal Revenue Code. No contributions were made to the plan in 2011 (2010 - \$25,000)).

Berman Capital, LLC
Notes to Financial Statements
(continued)
December 31, 2011

Note 6 - Concentrations

During 2011 revenue from one client/contract amounted to 81 percent of total 2011 revenues. During 2010 revenue from contracts with one client amounted to 86 percent of total revenues.

Note 7 - Subsequent events

The Company evaluated subsequent events for recognition and disclosure through January 10, 2012, the date which these financial statements were available to be issued. Management concluded that no material subsequent events have occurred since December 31, 2011 that required recognition or disclosure in such financial statements.

Supplemental Information
Pursuant to Rule 17a-5 of the
Securities Exchange Act of 1934

Berman Capital, LLC
Statement of Changes in Liabilities Subordinated to Claims of General Creditors
Year ended December 31, 2011

| | |
|----------------------------|--------------------|
| Balance, December 31, 2010 | \$ - |
| Increases (decreases) | <u>-</u> |
| Balance, December 31, 2011 | <u><u>\$ -</u></u> |

Berman Capital, LLC
Computation of Net Capital Under Rule 15c3-1 of the
Securities and Exchange Commission
December 31, 2011

| | |
|--|------------------|
| Net Capital | |
| Total members' equity | \$ 20,510 |
| Subordinated liabilities | - |
| Non allowable assets | <u>-</u> |
| Net capital | <u>\$ 20,510</u> |
| | |
| Total Aggregate Indebtedness | |
| Total aggregate indebtedness | <u>\$ 1,500</u> |
| | |
| Computation of Basic Net Capital Requirement | |
| Minimum net capital required | |
| (6-2/3% of total aggregate indebtedness) | <u>\$ 100</u> |
| Minimum dollar net capital requirement of reporting broker | <u>\$ 5,000</u> |
| Net capital requirement | <u>\$ 5,000</u> |
| Excess net capital | <u>\$ 15,510</u> |
| Excess net capital at 1000% | |
| (Net capital less 10% of aggregate indebtedness) | <u>\$ 20,360</u> |

Berman Capital, LLC
Reconciliation Pursuant to Rule 17a-5(d)(4)
December 31, 2011

Reconciliation with Company's Computation
(Included in Part IIA of Form X-17A-5 as of December 31, 2011)

Statement pursuant to paragraph (d)4 of Rule 17a-5 at December 31, 2011

There is no material difference between this net capital computation pursuant to Rule 15c3-1 and the corresponding computation included in the Company's unaudited Part IIA FOCUS Report filing.

Berman Capital, LLC
Computation for Determination of Reserve Requirements
Under Rule 15c3-3 of the Securities and Exchange Commission
December 31, 2011

The Company is exempt from the provisions of Rule 15c3-3 under the Securities and Exchange Act of 1934, in that the Company's activities are limited to those set forth in the conditions for exemption appearing in paragraph (k)(2)(i) of Rule 15c3-3.

Berman Capital, LLC
Information Relating to Possession or Control Requirements
Under Rule 15c3-3 of the Securities and Exchange Commission
December 31, 2011

A supplementary report pursuant to Rule 17a- 5(d)(4) and the information relating to possession or control requirement under Rule 15c3-3 are not required under Rule 17a- 5(e)(1)(i)(A) and Rule 15c3-3(k), respectively.

CERTIFIED PUBLIC
ACCOUNTANTS

DONALD WILSON
ALAN MARKLE
CHARLES STUCKEY
DAVID HARDESTY
DAVID BOTT
DAVID BAILEY
MICHAEL SMITH

Report of Independent Auditors on Internal Accounting Control
Required by SEC Rule 17a-5

The Members
Berman Capital, LLC

We have audited the financial statements of Berman Capital, LLC for the year ended December 31, 2011, and have issued our report thereon dated January 10, 2012. As part of our audit, we made a study and evaluation of the Company's system of internal accounting control to the extent we considered necessary to evaluate the system as required by generally accepted auditing standards. The purpose of our study and evaluation, which included obtaining an understanding of the accounting system, was to determine the nature, timing and extent of the auditing procedures necessary for expressing an opinion on the financial statements.

We also studied the practices and procedures followed by the Company in making the periodic computations of aggregate indebtedness and net capital under rule 17a-3(a)(11) and the procedure for determining compliance with the exemptive provisions of rule 15c3-3. We did not review the practices and procedures followed by the Company in making the quarterly securities examinations, counts, verifications and comparisons, and the recordation of differences required by rule 17a-13 or in complying with the requirements for prompt payment for securities under section 8 of Regulation T of the Board of Governors of the Federal Reserve System, because the Company does not carry security accounts for customers or perform custodial functions relating to customer securities.

The management of the Company is responsible for establishing and maintaining a system of internal accounting control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of control procedures and of the practices and procedures referred to in the preceding paragraph and to assess whether those practices and procedures can be expected to achieve the Commission's above-mentioned objectives. The objectives of a system and the practices and procedures are to provide management with reasonable, but not absolute, assurance that

assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in any internal accounting control procedures or the practices and procedures referred to above, errors or irregularities may nevertheless occur and not be detected. In addition, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the degree of compliance with them may deteriorate.

Our study and evaluation, made for the limited purpose described in the first paragraph, would not necessarily disclose all material weaknesses in the system. Accordingly, we do not express an opinion on the system of internal accounting control of Berman Capital, LLC, taken as a whole. No condition that may be considered a material weakness came to our attention during our study and evaluation.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the Commission to be adequate for its purposes in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures were adequate at December 31, 2011 to meet the Commission's objectives.

This report is intended solely for the use of management, the Securities and Exchange Commission and the Financial Industry Regulatory Authority and should not be used for any other purpose.


Wilson Markle Stuckey Hardesty & Bott
January 10, 2012